reducing trade barriers throughout the world. There are negotiations with the People's Republic of China in the WTO. They were so close, and the President would not say yes. A Chinese delegate came to the United States and made a lot of trade concessions. Frankly, it was a pretty good deal. My compliments to the President's Trade Representative, Charlene Barshefsky, who negotiated a good deal. And then the President would not say yes.

Why? Because maybe a few people in organized labor did not want him to say yes. Regardless, he did not say yes. So now he has called, I guess, the Chinese Premier and said: Well, we really want to do WTO. He had them here a few months ago, and he said no. Whose fault is that? Who is the new isolationist? Most of us realize we need to develop and encourage growing markets with China.

So I mention a few of those things to just repudiate, in the strongest words I possibly can, Sandy Berger's comments talking about the new isolationist fever that is running through Congress. Maybe there are some people running for President who have that philosophy. They don't represent the Republican Party. As a matter of fact, the primary person espousing that belief left the Republican Party.

In the Senate, I serve on the Finance Committee with Senator ROTH and Senator MOYNIHAN, and others on that committee, who have jurisdiction over trade issues, who have jurisdiction over tax issues. There is not an isolationist trend coming out of that committee or from the Senate.

If the President wants to get treaties ratified, he needs to consult with the Senate. He could have found out from the Senate he had some flaws in the Comprehensive Test Ban Treaty and did not have the votes. He could have found that out before asking for the vote and saved himself some embarrassment. Hopefully, he will come to that realization with the Kyoto Treaty.

We had a resolution in the Senate with, I believe, 94 votes that said Kyoto was fatally flawed, don't bring it to the Senate in this form or it will not be ratified. So maybe he is taking that as a hint he doesn't have the necessary 67 votes.

I hope the President and his National Security Adviser will move away from this rhetoric of ''new isolationism'' because, frankly, they are fomenting something that is not there. It is very much to the disadvantage of our country, our reputation worldwide, and it does not do them service because it is not true.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from South Carolina.

THE BUDGET

Mr. HOLLINGS. Mr. President, if there is one difficulty we have in this trade debate, it is credibility. If you believe the distinguished leaders, the President, the majority, minority leader, the distinguished chairman of our Finance Committee, you are bound to vote for this particular agreement with respect to the Caribbean Basin Initiative and the sub-Sahara. Then if you believe this Senator, who is in a dreadful minority at this point, you couldn't possibly vote for it.

Trying to bolster my credibility, because I have spoken throughout the year with respect to the budget, the deficit and whether or not there is a surplus, I ask unanimous consent to print in the RECORD this morning's column entitled ''Hill Negotiators Agree to Delay Part of NIH Research Budget.''

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1999]

HILL NEGOTIATORS AGREE TO DELAY PART OF NIH RESEARCH BUDGET

(By Eric Pianin)

House and Senate negotiators yesterday agreed to delay a big chunk of the research budget to the National Institutes of Health, as they struggled to find new ways to hold down costs and stay within tight spending limits.

With concerns rising over their plan to cut programs across the board, Republican leaders are once again turning to creative accounting tactics to make sure their spending bills are lean enough to avoid tapping into Social Security payroll taxes.

The last of the 13 spending bills to be considered by Congress, a giant $313 billion measure funding labor, health and human service programs, would provide the NIH with $17.9 billion for fiscal 2000, a 15 percent increase that exceeds the administration request by $2 billion.

But the bill, which will be considered by the full Congress today, would require the NIH to wait until the final days of the fiscal year in September to use $7.5 billion of that money. The tactic is aimed at limiting the actual amount of money that the government will spend at NIH in the current fiscal year; the plan would essentially roll over $2 billion of spending to next year.

The Clinton administration warned that the move would seriously hamper research efforts and impose significant administrative burdens on NIH, and congressional Democrats complained that it was yet another step eroding GOP credibility on budget matters.

But Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) said Congress was justified in is use of accounting ''devices'' to cope with emergencies and pressing budget priorities that exceeded what Congress had previously set aside to spend this year.

The various devices are crucial to the GOP's campaign to pass all 13 spending bills for the fiscal year that began Oct. 1 without appearing to dip into surplus revenue generated by Social Security taxes. GOP leaders last night put the finishing touches on an unwieldy package that includes both the labor-health-education bill, the District of Columbia spending bill and proposal for a roughly 1 percent across-the-board spending cut.

Democrats maintain the ''mindless'' across-the-board cuts would ''devastate'' some agencies, hurt programs for mothers and children, and trigger large layoffs in the armed services. But House Majority Whip Tom DeLay (R-Tex.) said accusations the cuts would hurt defense were ''nothing but hogwash.'' He said the criticism was coming from ''the same officials who have sat by idly as the president has hollowed out the armed forces.''

President Clinton has vowed to veto the huge package, as he has three other bills, and there is no way the two sides can reach agreement before a midnight Friday deadline. With neither side willing to provoke a government shutdown, the administration and Congress will agree on a third, short-term continuing resolution to keep all the agencies afloat while they continue negotiations.

While the Republicans and the White House are relatively close in negotiating overall spending levels, there are serious differences over how to spend money to reduce class sizes, hire additional police officers and meet a financial obligation to the United Nations as well as disputes over environmental provisions in the bills.

Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

The 1999 surplus was almost double the 1998 surplus of $69.2 billion, which was the first since 1969. Whil the 1999 surplus was the largest in the nation's history in strict dollar terms, it was the biggest since 1951 when measured as a percentage of the economy, a gauge that tends to factor out the effects of inflation.

All of the surplus came from the excess payroll taxes being collected to provide for Social Security benefits in the next century. Contrary to an earlier estimate by the Congressional Budget Office, the non-Social Security side of the federal government ran a deficit of $1 billion, money that was made up from the Social Security surplus.

The drafting of the labor-health-education spending measure dominated the action behind the scenes on Capitol Hill yesterday. The House has been unable to pass its own version, so House and Senate negotiators worked out a final compromise in conference.

The $313 billion compromise exceeds last year's spending by $11.3 billion and includes more money for education, Pell Grants for college students, NIH, federal impact aid for local communities, the Ryan White AIDS research program and community services block grants than the administration had requested.

While the bill provides $1.2 billion for class size reduction, the Republicans insist local school districts be given the option for using the money for other purposes while the White House would mandate the money for hiring additional teachers.

Republicans also were claiming $877 million in savings by using a computer database of newly hired workers to track down people who defaulted on student loans. The nonpartisan CBO said the idea would only save $130 million, but Republicans are using a more generous estimate used by Clinton's White House budget office.

Mr. HOLLINGS. Right in the middle is the headline: The Government has recorded its first back-to-back surpluses since 1956–57. Within the text, reaffirming that:

Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

That is totally false. Mark Twain said it best: The truth is such a precious thing, it should be used very sparingly. That has been the credo around the Government in Washington, particularly with respect to our fiscal condition.

Mr. President, I ask unanimous consent to print in the RECORD table 6 on page 20 of the U.S. Treasury Report, issued yesterday.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 6.—MEANS OF FINANCING THE DEFICIT OR DISPOSITION OF SURPLUS BY THE U.S. GOVERNMENT, SEPTEMBER 1999 AND OTHER PERIODS

[Dollars in millions]

Assets and liabilities directly related to budget off-budget activity	Net transactions (−) denotes net reduction of either liability or asset accounts			Account balances current fiscal year		
	This month	Fiscal year to date		Beginning of		Close of this month
		This year	Prior year	This year	This month	
Liability accounts:						
Borrowing from the public:						
Public debt securities, issued under general Financing authorities:						
Obligations of the United States, issued by:						
United States Treasury	−16,115	130,078	113,047	5,511,193	5,657,386	5,641,271
Federal Financing Bank	....	....	....	15,000	15,000	15,000
Total, public debt securities	−16,115	130,078	113,047	5,526,193	5,672,386	5,656,271
Plus premium on public debt securities	−16	−200	648	2,202	2,018	2,002
Less discount on public debt securities	534	1,648	864	79,051	80,165	80,698
Total public debt securities net of Premium and discount	−16,665	128,230	112,831	5,449,345	5,594,241	5,577,575
Agency securities, issued under special financing authorities (see Schedule B. For other Agency borrowing, see Schedule C)	283	−449	−3,814	[1] 29,359	28,627	28,910
Total federal securities	−16,383	127,782	109,017	5,478,704	5,622,868	5,606,486
Deduct:						
Federal securities held as investments of government accounts (see Schedule D)	31,747	[2] 221,927	163,915	[2] 1,767,778	1,957,959	1,989,705
Less discount on federal securities held as investments of government accounts	411	5,822	3,687	10,687	16,098	16,510
Net federal securities held as investments of government accounts	31,335	216,105	160,228	1,757,090	1,941,860	1,973,196
Total borrowing from the public	−47,718	−88,323	−51,211	3,721,613	3,681,008	3,633,290
Accrued interest payable to the public	8,729	−2,845	−635	45,448	33,874	42,603
Allocations of special drawing rights	−346	80	30	6,719	7,145	6,799
Deposit funds	−719	188	−824	4,280	5,188	4,469
Miscellaneous liability accounts (includes checks outstanding etc.)	4,054	498	−15	3,923	366	4,420
Total liability accounts	−36,000	−90,402	−52,655	3,781,983	3,727,582	3,691,581
Asset accounts (deduct)						
Cash and monetary assets:						
U.S. Treasury operating cash: [3]						
Federal Reserve account	1,082	1,689	−2,740	4,952	5,559	6,641
Tax and loan note accounts	18,986	15,891	−2,003	33,926	30,831	49,817
Balance	20,069	17,580	−4,743	38,878	36,389	56,458
Special drawing rights:						
Total holdings	−512	178	108	10,106	10,796	10,284
SDR certificates issued to Federal Reserve Banks	1,000	2,000	....	−9,200	−8,200	−7,200
Balance	488	2,178	108	906	2,596	3,084
Reserve position on the U.S. quota in the IMF:						
U.S. subscription to International Monetary Fund:						
Direct quota payments	....	14,763	....	31,762	46,525	46,525
Maintenance of value adjustments	663	412	162	4,615	4,364	5,027
Letter of credit issued to IMF	−166	−15,750	7,204	−14,884	−30,467	−30,633
Dollar deposits with the IMF	4	−36	6	−85	−126	−121
Receivable/Payable (−) for interim maintenance of value adjustments	−406	−562	−262	−253	−409	−815
Balance	94	−1,173	7,110	21,155	19,887	19,982
Loans to International Monetary Fund	....	−495	495	495	....	....
Other cash and monetary assets	−1,513	887	3,375	26,153	28,552	27,040
Total cash and monetary assets	19,139	18,977	6,344	87,586	87,425	106,563
Net Activity, Guaranteed Loan Financing	−5,500	−5,240	−457	−14,362	−14,102	−19,603
Net Activity, Direct Loan Financing	5,280	[4] 18,124	11,472	65,289	78,133	83,413
Miscellaneous asset accounts	2,012	1,486	−203	−83	−610	1,403
Total asset accounts	20,930	33,347	17,157	138,430	150,846	171,776
Excess of liabilities (+) or assets (−)	−56,931	−123,749	−69,811	3,643,554	3,576,736	3,519,805
Transactions not applied to current year's surplus or deficit (see Schedule A for Details)	500	1,009	569	....	508	1,009
Total budget and off-budget federal entities (financing of deficit (+) or disposition of surplus (−))	−56,430	−122,740	−69,242	+3,643,554	3,577,244	+3,520,813

[1] Includes a prior period adjustment to record securities previously redeemed.

[2] Includes an opening balance adjustment of −$1,763 million and an adjustment for year to date activity of $24 million to reflect the reclassification of securities held by government accounts in deposit funds.

[3] Major sources of Information used to determine Treasury's operating cash income include Federal Reserve Banks, the Treasury Regional Finance Centers, the Internal Revenue Service Centers, the Bureau of the Public Debt and various electronic systems. Deposits are reflected as received and withdrawals are reflected as processed.

[4] Includes an adjustment for −$289 million in August 1999 for the Small Business Administration.

... No Transactions.

(* *) Less than $500,000.

Note: Details may not add to totals due to rounding.

Mr. HOLLINGS. What I want to refer to is the line that says ''Total federal securities.'' That is the borrowing. You issued the securities to cover your backside. You have to do that by Friday, tomorrow, at midnight. I take it we will close down the Government unless we pass another continuing resolution. The U.S. Treasury report shows that at the beginning of this year we had a national debt of $5,478,704,000,000.

Now, Mr. President, I ask unanimous consent to print this table in the RECORD entitled ''Hollings Budget Realities.''

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES, JUNE 30, 1999

President and year	U.S. budget (outlays) (In billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Truman:						
1945	92.7	5.4	−47.6	....	260.1	....
1946	55.2	−5.0	−15.9	−10.9	271.0	....
1947	34.5	−9.9	4.0	+13.9	257.1	....
1948	29.8	6.7	11.8	+5.1	252.0	....
1949	38.8	1.2	0.6	−0.6	252.6	....
1950	42.6	1.2	−3.1	−4.3	256.9	....
1951	45.5	4.5	6.1	+1.6	255.3	....
1952	67.7	2.3	−1.5	−3.8	259.1	....
1953	76.1	0.4	−6.5	−6.9	266.0	....
Eisenhower:						
1954	70.9	3.6	−1.2	−4.8	270.8	....
1955	68.4	0.6	−3.0	−3.6	274.4	....
1956	70.6	2.2	3.9	+1.7	272.7	....
1957	76.6	3.0	3.4	+0.4	272.3	....
1958	82.4	4.6	−2.8	−7.4	279.7	....
1959	92.1	−5.0	−12.8	−7.8	287.5	....
1960	92.2	3.3	0.3	−3.0	290.5	....
1961	97.7	−1.2	−3.3	−2.1	292.5	....
Kennedy:						
1962	106.8	3.2	−7.1	−10.3	302.9	9.1
1963	111.3	2.6	−4.8	−7.4	310.3	9.9
Johnson:						
1964	118.5	−0.1	−5.9	−5.8	316.1	10.7
1965	118.2	4.8	−1.4	−6.2	322.3	11.3
1966	134.5	2.5	−3.7	−6.2	328.5	12.0
1967	157.5	3.3	−8.6	−11.9	340.4	13.4
1968	178.1	3.1	−25.2	−28.3	368.7	14.6
1969	183.6	0.3	3.2	+2.9	365.8	16.6
Nixon:						
1970	195.6	12.3	−2.8	−15.1	380.9	19.3
1971	210.2	4.3	−23.0	−27.3	408.2	21.0
1972	230.7	4.3	−23.4	−27.7	435.9	21.8
1973	245.7	15.5	−14.9	−30.4	466.3	24.2
1974	269.4	11.5	−6.1	−17.6	483.9	29.3
Ford:						
1975	332.3	4.8	−53.2	−58.0	541.9	32.7
1976	371.8	13.4	−73.7	−87.1	629.0	37.1
Carter:						
1977	409.2	23.7	−53.7	−77.4	706.4	41.9
1978	458.7	11.0	−59.2	−70.2	776.6	48.7
1979	503.5	12.2	−40.7	−52.9	829.5	59.9
1980	590.9	5.8	−73.8	−79.6	909.1	74.8
Reagan:						
1981	678.2	6.7	−79.0	−85.7	994.8	95.5
1982	745.8	14.5	−128.0	−142.5	1,137.3	117.2
1983	808.4	26.6	−207.8	−234.4	1,371.7	128.7
1984	851.8	7.6	−185.4	−193.0	1,564.7	153.9
1985	946.4	40.5	−212.3	−252.8	1,817.5	178.9
1986	990.3	81.9	−221.2	−303.1	2,120.6	190.3
1987	1,003.9	75.7	−149.8	−225.5	2,346.1	195.3
1988	1,064.1	100.0	−155.2	−255.2	2,601.3	214.1
Bush:						
1989	1,143.2	114.2	−152.5	−266.7	2,868.3	240.9
1990	1,252.7	117.4	−221.2	−338.6	3,206.6	264.7
1991	1,323.8	122.5	−269.4	−391.9	3,598.5	285.5
1992	1,380.9	113.2	−290.4	−403.6	4,002.1	292.3
Clinton:						
1993	1,408.2	94.3	−255.0	−349.3	4,351.4	292.5
1994	1,460.6	89.2	−203.1	−292.3	4,643.7	296.3
1995	1,514.6	113.4	−163.9	−277.3	4,921.0	332.4
1996	1,453.1	153.5	−107.4	−260.9	5,181.9	344.0
1997	1,601.2	165.9	−21.9	−187.8	5,369.7	355.8
1998	1,651.4	179.0	70.0	−109.0	5,478.7	363.8
1999	1,701.0	223.0	120.0	−103.0	5,582.0	356.0
2000	1,744.0	243.0	161.0	−82.0	5,664.0	358.0

Historical Tables, Budget of the US Government FY 1998; Beginning in 1962 CBO's 2000 Economic and Budget Outlook.

Mr. HOLLINGS. I will show we agree that at the beginning of the year we have exactly that figure, 5 trillion 478 billion 7-some-odd-million dollars. Now, referring to U.S. Treasury Report table, you will find, under the column Close of This Month, the figure $5,606,486,000,000. So the table itself, according to the figures issued yesterday, showed the Federal Government ran a surplus. Absolutely false. This reporter ought to do his work. This crowd never has asked for or kept up with or checked the facts. Eric Planin—all he has to do is not spread rumors or get into the political message. Both Democrats and Republicans are all running this year and next and saying surplus, surplus. Look what we have done.

It is false. The actual figures show that from the beginning of the fiscal year until now we had to borrow $127,800,000,000.

That is increasing the national debt. That is the deficit, $127 billion. I checked this with the Congressional Budget Office. They haven't done their interpolation of the various records. I had been reporting, as you will find on the table inserted, a $103 billion deficit for this fiscal year, as of the CBO June 30 figure. I said: Wait a minute, it is way more than what we thought, if it is 127 rather than 103. They said there were some unaccounted balances carried forward, some $16 billion. So it might be, instead of 103, 112. Conscientiously, we are trying to give the truth to the American people.

We have those figures in this particular table. We can enlarge it for the viewing Senators here. That is exactly what I have said. We have a $5,487,700,000,000 debt. Now it has gone up. Instead of $5,582,000,000,000, it has gone to $5,606,000,000,000. So you can see, when we got to the end of the fiscal year, not the projections, not the guesses, or whatever else—we had a deficit of $127.8 billion. That is going up, up and away, because if you look at the previous year, we did better. Well, we didn't do better in 1997, the previous year, but I should say the deficits have been coming down. And they had projected, for example, next year, a $82 billion deficit coming down from the 127.8 billion. I should say 103 billion, as is shown on this particular chart.

Now, if instead of $103 billion deficit, it is going to $127.8 billion, you can see at a glance it is going to be another $100 billion deficit next year. Looking at the facts, you can find the editorial in the Washington Post to show we have already spent 30 billion of the Social Security monies. We are all running around in a circle saying, ''I don't want to touch it. No, I will not touch it.'' They have already touched it to the tune of 30 billion bucks, this Congress, the House and Senate, Republicans and Democrats, all of us.

We have to get the truth out. Even then, to create a surplus, they are using these particular figures—we are discussing in another conference ongoing right at the minute—the airport trust fund. We have all kinds of dangers with respect to the airports. It is getting unsafe to fly. We need better radar. We need more runways. We need more airports. We need better controls, better control towers, everything else of that kind. We are being taxed for it. We all fly, and we pay the taxes as airline travelers. But $11 billion has been spent on any and everything other than airports. It shows that it is going up, under the budget, to $23 billion in 2004. We have the money, but we don't spend it on the airports or the highways. Reporters across this country have been writing these editorials to the effect that it doesn't make any difference whether we borrowed from it or not; these are just IOUs.

I don't want to be around here in the year 2012 when we don't bring in enough to cover our costs and we are going to have to raise taxes in order to make payments. That crowd in New York working the market, they could care less. They think in quarterly amounts, in the quarter of each year. If you don't do it by the third quarter, out you go. That is the CEO/Wall Street mentality. Ours should be the long-range. You have in the desk drawer right now $1.859 trillion in IOUs not only in Medicare but in military retirement, civilian retirement, and you don't want to talk Social Security. I don't want to touch the military retirement fund or borrow from the unemployment compensation fund, the highways, and the airports.

So we just bring that up for a moment of truth in the Senate. I want to show you this because there is another headline story in the paper about a one percent cut across the board, or 1.5 percent. They are looking for a way to cut $5 billion. Now we have the House, the Senate, the leadership, the White House, and we are trying to get out of here in the next 10 days—if we can only agree on how we are going to find $5 billion—either cut $5 billion in spending, or raise $5 billion in taxes, or do whatever we have to do to find a cut across the board. That is $5 billion.

Here is what happens. Right now the estimated interest cost is $356 billion. I don't have an updated figure on that. I know since we have had two interest rate increases by Mr. Greenspan this year, it is going to be more than that $356 billion. But going back to when we last balanced the budget, we had a surplus under President Johnson. They don't have to go back to Eisenhower when they kept a different set of books. Under President Johnson, when we were here and we had a surplus, the interest cost on the national debt was only $16 billion. Here, the interest cost on the national debt is $356 billion. If we just held the line and paid for what we got, we would have had, and would have this morning, not $5 billion, we would have $340 billion to increase the airports, to increase Medicare, to save Social Security, to increase defense. We could have a tax cut and we could pay down the debt if we had the $340 billion.

The headline ought to read: Last year we increased taxes. Why? We increased the interest costs because we increased the debt. When you increase the debt some $127 billion, you increase your interest costs, which are running right now at a billion dollars a day. You have to pay it. Worse than the regular taxes, such as sales taxes, for which you can get a school, or gasoline tax, for which you can get a highway—we get absolutely nothing for it.

Last year, this Government increased taxes, and they are determined to increase taxes today, this year, in the next two weeks—all the time talking about surpluses and about cutting spending, and all the time talking about cutting taxes.

Now, Mr. President, I yield the floor.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I rise in strong support of the very important trade package that the Senate is currently considering. At a time when our global marketplace is expanding faster than ever, we need to ensure that the poorest countries around the world are not left behind.

This comprehensive package uses trade to promote economic self-sufficiency, at the same time allowing for broader access to American goods and services to these markets. While many believe the economic and financial answer for these underdeveloped countries may lie in direct financial assistance, I believe the answer is found by facilitating direct private investment.

I want to share with colleagues the plight of one of these countries which I experienced firsthand this past weekend. I spent 2 days in Haiti meeting with political, business, and humanitarian groups.

By far, the most dramatic portion of my trip was witnessing the extreme poverty and despair that grips that Nation. I saw the face of an economy suffering from 17-percent inflation and unemployment of between 60 and 80 percent.

Let me tell the story of one little boy I met. Only through a humanitarian organization and through the support of private donations is this 9-year-old boy able to obtain an education. As a tool to economic and democratic stabilization, aid is simply not enough. Many children just aren't able to stay in school. They are required to work in order to contribute to their families' survival.

Again, I make the point that for a good number of the people in Haiti, their per capita income is around $50 a year. A straight calculation of the per capita income is about $500. But if you look at the makeup of that distribution, you can see easily that there are literally millions of people in Haiti who live with a per capita income of around $50.

If these children are to have a future, revitalization and expansion of economic opportunities are needed to reach the goal of economic self-sufficiency. By creating a framework for using trade and investment as a development tool, the United States will be fostering reform at the economic base of these countries, taking direct aim at lowering unemployment and high inflation rates.

This legislation creates this framework by extending enhanced trade benefits to the countries of the Caribbean Basin. Since the passage of the North American Free Trade Agreement, U.S. imports from Caribbean countries have been at a distinct disadvantage. The measure would build on the existing Caribbean Basin Initiative program, often referred to as CBI, by providing additional trade benefits to Caribbean countries similar to that which Mexico and Canada currently enjoy.

Since its inception, CBI has had a significant positive economic impact on both the United States and the Caribbean countries, helping to promote regional security and stability of our Caribbean neighbors. Opening this market even further, particularly following the recent devastation inflicted by hurricanes, will help to stimulate job growth by increasing exports and expanding market access to these countries for U.S. businesses.

Another important component of this trade package establishes U.S. support for economic self-reliance in sub-Saharan Africa. The United States stands to benefit a great deal from a strong and prosperous Africa. By fostering growth-oriented economic policies, we will help support broader access to African markets for American goods and services. Sub-Saharan Africa makes up a market of more than 700 million people and is potentially one of the largest markets in the world. As economic reforms and market-opening measures spur growth in Africa, it will create new and bigger markets for U.S. exporters.

A particularly sensitive, albeit important, provision included in both the African Growth and Opportunity Act and the Caribbean Basin Trade Enhancement Act deals with textiles. The textile and apparel industries have historically provided the first step toward industrialization in many countries. This is because production is fairly simple, can be done on a small scale, and often uses locally abundant raw material.

In seeking to address the concerns raised by the U.S. textile industry, this legislation has sought compromise by restricting preferential treatment to apparel produced by U.S. fabric and yarns.

Additionally, this legislation provides strong protections against illegal transshipment of goods through Africa